

“Strategic Partnering Through the State Travel Management Program”

“Reducing Costs through a Partnered Approach”

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RMGPA Member
State of Colorado Travel Manager
December 1, 2011





Agenda

- Why Strategic Partnerships?
- Benefits of Partnering
- Partnership Options
- Travel Agreements
- STMP Innovation
- Strategic Partners



WHY STRATEGIC PARTNERSHIPS?

“At the end of the day government is about teamwork and partnership and we will be proving that by working together.”

Julia Gillard



WHY? *Cost Savings*

- Focus your resources on what you do best and ***PARTNER*** for the rest!
- Solicitation
 - SAVE on TIME, PROCESS and LABOR COSTS
 - E&I Cooperative Purchasing
 - RFP Cost Estimator Tool
 - Competitively bid by the State of Colorado
 - Cost for Managing CC RFP process ± \$30,000 with a 5 person team
- VOLUME Based Agreements
 - Airline Price Agreements
 - Colorado IS **1** of only **2** States with *Airline Contracts*



BENEFITS OF PARTNERING

“A journey of a thousand miles must begin with a single step.”

Lao Tzu



BENEFITS: *Vendor Management*

- Share Information and Priorities
 - STMP Vendor Roundtable
- Balance Commitment and Competition
 - Partner Input with Rate Increase Requests
- Allow Key Vendors to Help Strategize
 - How to Address Partnership Needs
- Build Partnerships for the Long Term
 - AVIS/Budget Renewal through 2015
- Seek to Understand Vendor's Business
 - Contribute knowledge or resources that may help the vendor better serve the State



BENEFITS: *Claims Management*

- Automobile Rental Agreements
 - 5 Vendors
 - Collision Damage Waiver Insurance
 - \$1 Million // \$300,000 Liability Insurance
- VISA
 - Collision Damage Waiver Insurance
 - Excluded Vehicles
 - Excluded Locations
 - Claim Filing Deadline
 - Liability Waiver Program
- CitiBank
 - \$350,000 Travel Accident Insurance



BENEFITS: *Professional Support*

- STMP Provides:
 - Subject Matter Expertise
 - Travel Contracts // Travel Rules // Travel Industry
 - Stability for a Chaotic Industry
 - Air Ancillary Fees
 - Resource for Urgent Assistance
 - Assistance for the Unexpected
 - Address Partnership Needs
 - Cargo Box Trucks & Trailers
 - Support for Cardholder Training
 - Off Site // On Site // Best Practices



PARTNERSHIP OPTIONS

“Travel is glamorous only in retrospect.”

Paul Theroux

Inter-Governmental Agreement [IGA]

Routing # CMS #

STATE OF COLORADO
Department of Personnel & Administration
INTERGOVERNMENTAL AGREEMENT
with

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1. PARTIES
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8. CONFIDENTIAL INFORMATION-STATE RECORDS
9. FAILURE TO PERFORM-DISPUTES
10. NOTICE AND REPRESENTATIVES
11. GENERAL PROVISIONS
12. SIGNATURE PAGE
- EXHIBIT A-STATEMENT OF WORK AND BUDGET**

Inter-Agency Agreement [IAA]

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- EXHIBIT A-STATEMENT OF WORK AND BUDGET**



EXHIBIT A-STATEMENT OF WORK AND BUDGET

- Purpose and Scope of Work
 - The mission of the State Travel Management Program (“STMP”)
 - Definitions
- Statement of Work and Responsibilities of the STMP
 - Objectives of the Program
 - Establishing Programs and Continuity of Support
 - Program Parameters
 - Training for the Vendor Community
 - Reports
 - System Security
- Participating ENTITY Duties, Responsibilities, and Understandings
 - Utilize components of the State Travel Management Program including ...
 - Comply with the terms and conditions of all the individual STMP related contracts
 - To designate a Travel Compliance Designee
 - Media and Open Records Requests
 - Accident Reports
- **Cooperation of the Parties**

Letter of Agreement [LOA]

State of Colorado



DPA

Department of Personnel
& Administration

Division of Central Services
Travel Management Program
1001 E. 62nd Ave., Rm. A-31
Denver, Colorado 80216
Phone (303) 866-3986
Fax (303) 866-5302
www.colorado.gov/travel

John W. Hickenlooper
Governor

Kathy Nesbitt
Executive Director

Jennifer Okes
Deputy Executive Director

Scott Madsen
Division Director

Lenora Kingston
Manager

SAMPLE

By this letter the State Travel Management Program [STMP] and COUNTY OF OZ agrees that COUNTY OF OZ will participate in the STMP with a limited scope of service as approved by the CITY AND COUNTY OF OZ County Commissioners.

Effective immediately, COUNTY OF OZ is allowed to participate in the STMP Automobile Rental Agreements ONLY

COUNTY OF OZ is allowed to use the county credit card for payment and/or direct bill with the vendors which will be paid within two weeks of receipt

The STMP agrees to provide guidance, education and compliance support to political subdivision program participants [COUNTY OF OZ].



STMP Services Available for ALL

- STMP Web Site Resources

- Tax Exempt Guide

- Per Diems

- Travel Tools

- City/County Search

- Universal Currency Converter

- International Taxi Fare Calculator

- SeatGuru

- Rules

www.colorado.gov/travel

- Fly America Act

- Risk Management Vehicle Use Guide

- Patriot Act [and Opinion]

- STMP Lodging Program

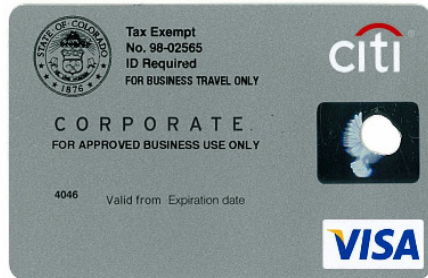


STMP TRAVEL AGREEMENTS

“One’s destination is never a place, but a new way of seeing things.”

Henry Miller

Commercial Card Program



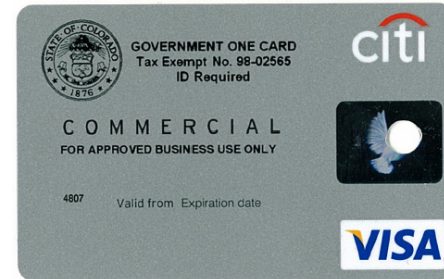
Central Travel Card

Entity Billed Corporate Liability

Account Functionalities

- Standard Point of Sale Cards
- Meeting / Event Account
- Declining Balance Account
- Departmental Card

C O R P O R A T E
FOR APPROVED BUSINESS USE ONLY



ONE Card

Entity Billed Corporate Liability

Account Functionalities

- Standard Point of Sale Cards
- Ghost Accounts
- Meeting / Event Account
- Declining Balance Account
- Departmental Cards
- Emergency Cards

C O M M E R C I A L
FOR APPROVED BUSINESS USE ONLY

Commercial Card Program



Travel Card – Individually-billed

Joint/Several Liability

Account Functionalities

Standard Point of Sale Cards

Allows Cash Access

Allows 59 Days to Pay

NOT State Tax Exempt

C O R P O R A T E
FOR APPROVED BUSINESS USE ONLY



Central Travel Account [Ghost] Entity Billed Corporate Liability

Account Functionalities

White plastic card is issued without a magnetic stripe

Cannot be used for point of sale purchases
Card includes verification code [CVV2]

Allows for Internet purchases by awarded travel agency

Account is established for use by a specific travel agency [merchant].

State of Colorado Rebate Process

- Aggregate Annual Sales Volume: \$150,000,000 =
- Rebate Percentage Earned: 1.45%
- Early Payment Incentive & rebate calculated for each Entity

Rebate Calculation Scenarios:

Agency "A" Total Annual Sales Volume: \$2,000,000

Central Bill / Card Program Type	Annual Sales Volume	File Turn Days	Early Payment Basis Points	Combined Rebate % Earned	Total Rebate Revenue
Purchasing Card (Corporate Liability)	\$500,000	7	23	1.68%	\$8,400
Travel - Central Card (Corporate Liability)	\$500,000	14	16	1.61%	\$8,050
Travel - Ghost Account (Corporate Liability)	\$500,000	30	0	1.45%	\$7,250
Travel - Individual Card (Joint-Severel Liability - *Paid by Employee*)	\$500,000	59	-43.5	1.02%	\$5,075

** File turn for Individual Travel Cards is the average monthly payment timeliness for all Individually Billed Accounts within each Entity.*

Agency "A" Total Annual Rebate Earned: \$28,775

Agency "B" Total Annual Sales Volume: \$1,500,000

Central Bill / Card Program Type	Annual Sales Volume	File Turn Days	Early Payment Basis Points	Combined Rebate % Earned	Total Rebate Revenue
One Card (Purchasing/Travel - Corporate Liability)	\$1,500,000	21	9	1.54%	\$23,100

Agency "B" Total Annual Rebate Earned: \$23,100

Single sign-on for Program Administrators and Cardholders



Benefits

- Global Data Repository — 3 years of data, including enhanced data, online at the users finger tips
- Statement reconciliation and approval workflow
- Ad-Hoc Report capability
- Standard Report Queries
- Analyze purchasing patterns quickly and accurately Improve negotiations with vendors
- Better tracking of State spending at any level
- Benchmark capability

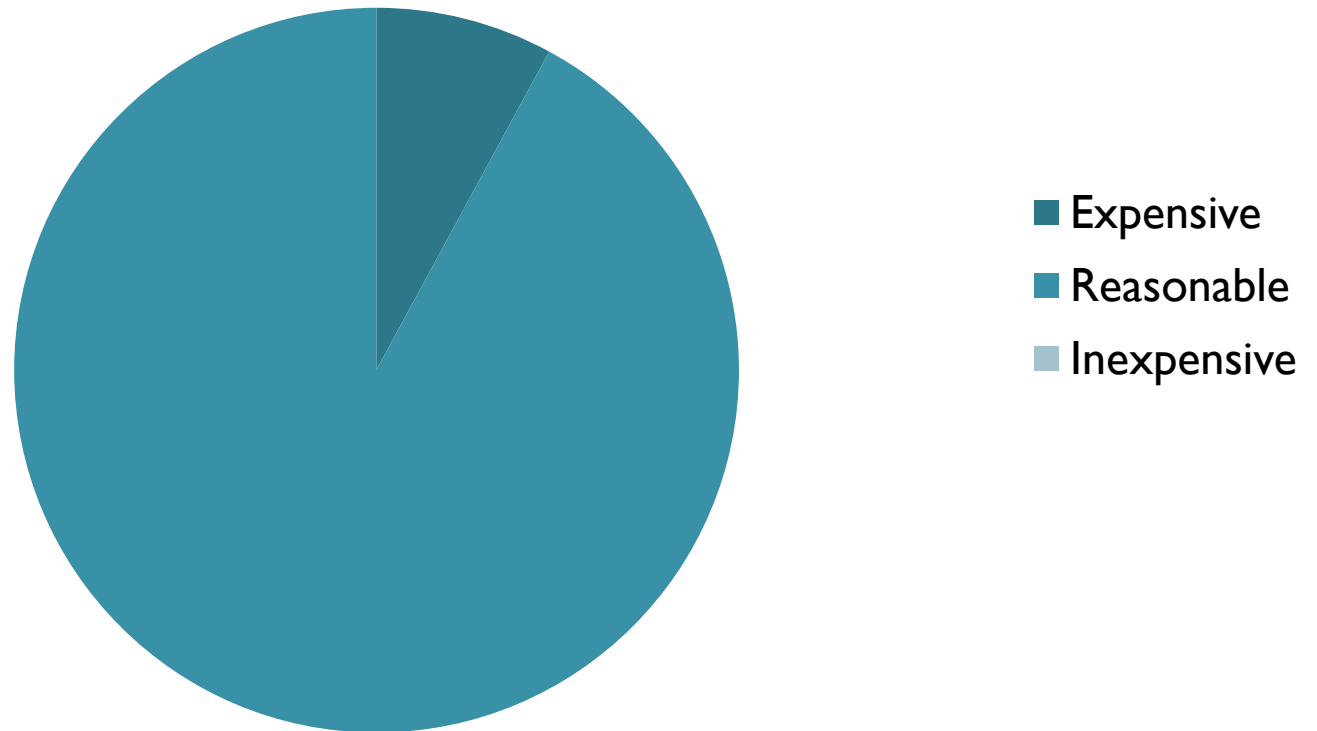


Travel Agency Services

- Reasons to Use a Travel Agent
 - Customer advocacy – *to act on your behalf*
 - Expert guidance – *fares, passports, TSA, etc.*
 - Personalized service – *a REAL live person!*
 - Unbiased – works for their client *≈ YOU!*
- Estimate of Cost Savings
 - American Society of Travel Agents
 - Average Service Fee: **\$36**
 - Contract Service Fees: **\$8.00 - \$13.45** below
 - FY10: 40,940 airline tickets
 - Conservative Savings Estimate: **\$327,520**

2011 STMP Customer Survey

**How would you rank the Service Fee charged
by the awarded travel agency(ies) servicing
your entity?**



Travel Agency Service Fees

2011 STMP Customer Survey

On average how would you rate the service of the State Travel agencies?

Answer Options	Above Average	Average	Below Average	Poor	Rating Average	Response Count
Customer Service	21	14	0	0	1.40	35
Responsiveness	19	14	2	0	1.51	35
Problem Resolution	17	16	0	1	1.56	34
Confidence that Lowest Fare Booked	11	20	3	1	1.83	35
Consistent Knowledge of State Contracts	16	17	1	0	1.56	34
Provide Guidance to Maintain Traveler Compliance	10	22	2	0	1.76	34



Airfare Price Agreements

- Fully Refundable and Changeable without additional Airline Fees
 - Unrestricted Fare(s)
 - Last Seat Availability
 - Capacity Controlled Fare(s)
 - Limited # of Seats
- Purchased by the awarded Travel Agencies
- Use is an internal business decision
- Awarded Vendors
 - Frontier – Ancillary Fees *WAIVED*
 - Great Lakes – Ancillary Fees *WAIVED*
 - United – Baggage Fees *NOT* Waived



Automobile Rental Agreements

KEY ELEMENTS

- WSCA Agreements
 - \$1 Million Liability
 - Full loss/damage waiver
 - Roadside assistance
 - One-Way rentals up to 500 miles [at no additional cost]
 - Short term and long term options
 - Full Selection of vehicles, including 15P's
 - ALL Vendors Locations Included
- State BOA's
 - \$300,000 Liability
 - Full loss/damage waiver
 - Roadside assistance
 - One-Way rentals within the State [at no additional cost]
 - Short term and long term options
 - Full Selection of vehicles
 - Corporate Locations ONLY

AUTOMOBILE RENTAL MATRIX

AVIS	Budget	Budget Truck	Enterprise National	Hertz
State BOA	State BOA	State BOA	WSCA	WSCA
A514100	T143800	56000133710	Ent: G65117 Nat: XZ12450	65579
18 Years	21 Years	24 Years (Youthful driver [21-23] \$18 per day surcharge WAIVED)	18 Years	18 Years
<u>Customer Service</u> <u>Preferred Service</u> <u>E-toll</u>	<u>Customer Service</u> <u>Fast Break</u> <u>E-toll</u>	<u>Customer Service</u> <u>User Guide</u>	<u>Customer Service</u> <u>User Guide</u>	<u>Customer Service</u> <u>#1 Club Gold</u> <u>GOLD Guide</u> <u>E-toll</u>
<u>Rates</u>	<u>Rates</u>	<u>Colorado Locations</u> <u>Rates</u> <u>Other Fees</u>	<u>Ent: Rates</u> <u>Nat: Rates</u>	<u>Rates</u> <u>Sample Receipt</u>
<u>Insurance</u>	<u>Insurance</u>	<u>Insurance</u> <u>CTC Guidance</u> <u>(Third-Party Billing)</u>	<u>Insurance</u>	<u>Insurance</u>
<u>CTC Form</u> <u>Vehicles</u>	<u>CTC Form</u> <u>Vehicles</u>	<u>CTC Form</u> <u>Vehicles</u>	<u>CTC Form</u> <u>Vehicles</u>	<u>CTC Form</u> <u>Vehicles</u>
<u>SPA</u> <u>Int'l Rates Program</u> <u>Locations</u> <u>Locations</u> <u>Locations</u> <u>Locations</u>	<u>SPA</u> <u>Int'l Rates/Locations</u>	<u>SPA</u> N/A	<u>Large Van Addendum</u> <u>SPA</u> <u>International Rates</u>	<u>SPA</u> <u>International Rates</u>
A514100 Rate Code required for International Rentals	T143800 Rate Code required for International Rentals			

www.colorado.gov/travel



STMP In-State Lodging Directory

- Invitation to Participate
 - Economically Preferable (Below GSA Per Diem)
 - and/or
 - Environmentally Preferable
 - Properties that meet a minimum of 10 or more Green Seal Environmental Standards for Lodging Properties will be showcased in the STMP In-State Lodging Directory in support of the Governor's Executive Order D 005 05 Greening of State Government. Please list your compliance by the "Green Seal" criteria codes (e.g. Tissue Paper GS-01) available online - Green Seal Environmental Standards for Lodging Properties.)
 - Fully-Automated Online Process for hotel properties to participate

WSCA Lodging

- WSCA Lodging is a **nationwide** program
- 10,000 qualified lodging facilities
- Honor GSA Per-Diem Rates for State and Political Subdivision
- WSCA Lodging is currently being hosted on the State of Oregon website.





WSCA Lodging T/C's

- At or below GSA Per-diem Rates
- Will rent to 18 years and older
- Is not allowed to pre-charge for rooms
- Will accept reservations through travel agencies, toll free number and website
- Encourages last room availability and no black out dates
- Accepts all major credit cards



Properties shall not charge Participant Travelers the following fees:

- Change/Cancellation Fee if change or cancellation is received prior to 4:00 PM the day of check-in
- Booking, Deposit or Reservation Fee
- Short notice reservation fee
- Early Departure Fee
- Flat City Tax (State and local room taxes exempt from this tax)
- Parking fee when staying with no vehicle
- Resort fees
- Energy fees

State Procurement Office WSCA Lodging - Windows Internet Explorer

http://www.oregon.gov/DAS/SSD/SPO/wscs_lodging.shtml

File Edit View Favorites Tools Help

Norton Norton Safe Search Search Cards & Logins

Google Search Share Check Translate AutoFill Sign In

Favorites OR State Procurement Office WSCA Lodging

Home Page Safety Tools

About Us
Contact Us
Reciprocal Preference Law
State Services Home
SPO Home

Welcome to WSCA Lodging

WSCA Lodging is a nationwide lodging program that contains a searchable database of over 8000 qualified lodging facilities that will honor GSA Per-Diem Rates for State and Political Subdivision employees traveling on official business. The qualified lodging properties listed in the database have agreed to provide lodging services per the terms of the Request for Qualification. [Terms and Conditions](#)



Mission: WSCA Lodging was created to achieve two missions. First, to ensure State and political subdivision employees are able to find lodging facilities that will honor GSA per-diem rates for their stay. Second, for the States to gather travel spend. WSCA Lodging contains a searchable database that will provide travelers a list of properties for their travel and will also gather all of the search information. When searching for lodging, please complete all the fields accurately. WSCA will keep track of the search results in hopes of leveraging spend to achieve further savings.

WSCA Lodging Database

Searching Properties: The searchable database will display properties for the city you searched for. It contains icons showing amenities. It contains additional information (map, property details, and rates) by clicking the links on the right.

Estimated Cost: When searching for lodging facilities, the estimated cost is based on the per-diem and tax rate for that location. This estimated rate may change if the property offers a discount or if your search dates begins in one per-diem season and ends in another.

Preferred Properties: If the search results show a green leaf or \$ icon, it indicates that property is economically or environmentally preferable. Economically preferable indicates the property offers rates lower than GSA per-diems. Environmentally preferable means the property is using advanced environmentally friendly processes in their operation.

Booking a room: This is only a database and not a search engine. To book a room, contact your contracted travel agency if required by your state's policy. Or, click "book hotel" to take you to the hotel website and complete the booking process. The link contains a code to ensure the proper room rate is used.

[Search for Lodging](#)

start STMA State Contacts... State Procurement O... Presentation1 APOC Proposal - Mic... RFQ 102-1644-10(re... 6:51 PM

Lodging Program - Windows Internet Explorer

http://dasapp.oregon.gov/hlp/index.aspx

File Edit View Favorites Tools Help


Norton Norton Safe Search Search Cards & Logins

Google Search Share Check Translate AutoFill Sign In

Favorites Lodging Program

Search
About Us
Contact Us

State Services
SPO Home

 **Qualified Lodging Program**

Welcome to the WCSA Lodging Program

To Find a Hotel

State Employed In

Employer Type

Employer or Agency Name

Traveling To

State

City

Traveling Dates

Arriving

Departing

Internet 100% 6:54 PM

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Hotel Information - Windows Internet Explorer

http://dasapp.oregon.gov/hlp/hotelinfor.aspx

File Edit View Favorites Tools Help

Favorites Hotel Information

Page Safety Tools


 **OREGON.gov**

Photo by Derek Neuts

State Procurement Office

Search

About Us

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State Services



SPO Home

Qualified Lodging Program

Going To: BAKER CITY, OR
Check In: 7/8/2011
Check Out: 7/9/2011

Maximum GSA Perdiem rate (for searched city multiplied by number of room nights)
Estimated charges: \$77 (room charge not including tax)
 A green \$ icon indicates rate may lower for that property.
 Click on availability/reserve to confirm rate

[Icon Index](#)

 <p>Geiser Grand Hotel 1996 Main Street Baker City OR 97814 Email: info@geisergrand.com</p>	<p>Local 541-523-1889 Toll Free 888-434-7374 Fax 541-523-1800</p> <p>AAA Diamond Rating 3</p>	<p>Map Hotel Hotel Info Rates Availability/Reserve</p> <p>Corporate ID:</p>
 <p>Super 8 Baker City 250 Campbell St Baker City OR 97814 Email: dianea@bhghotels.com</p>	<p>Local 541-523-8282 Toll Free 800-800-8000 Fax 541-523-9137</p> <p>AAA Diamond Rating 2</p>	<p>Map Hotel Hotel Info Rates Availability/Reserve</p> <p>Corporate ID: 1000009275</p>

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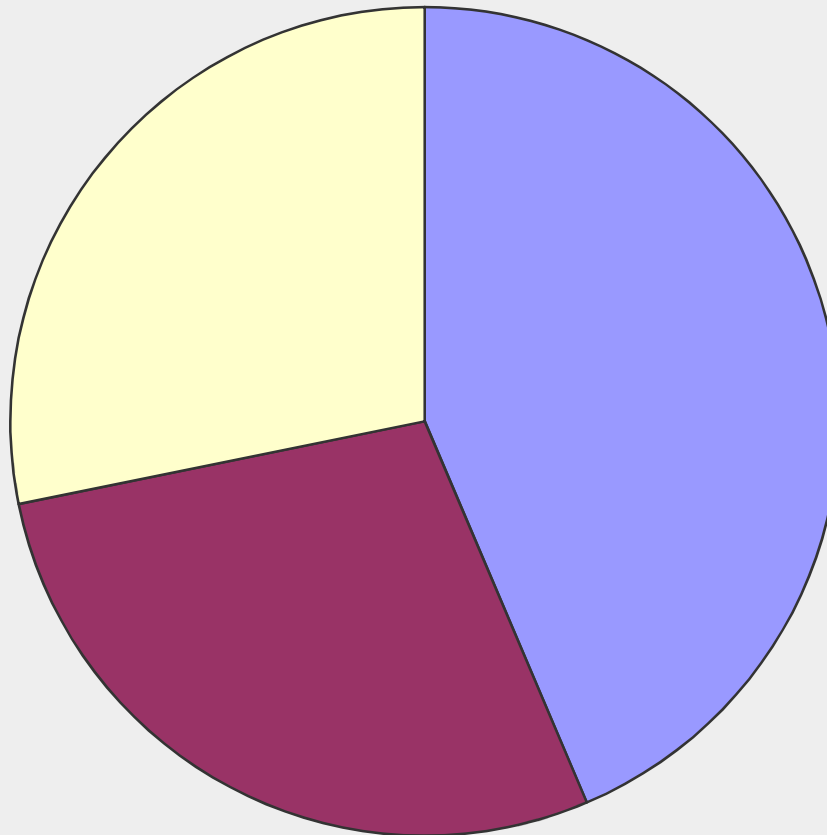
STMP INNOVATION

“Travel is fatal to prejudice, bigotry, and narrow-mindedness.”

Mark Twain

2011 STMP Customer Survey

In addition to the mandatory travel agency agreements are you (or your entity) using Orbitz, Expedia, airline or hotel websites?



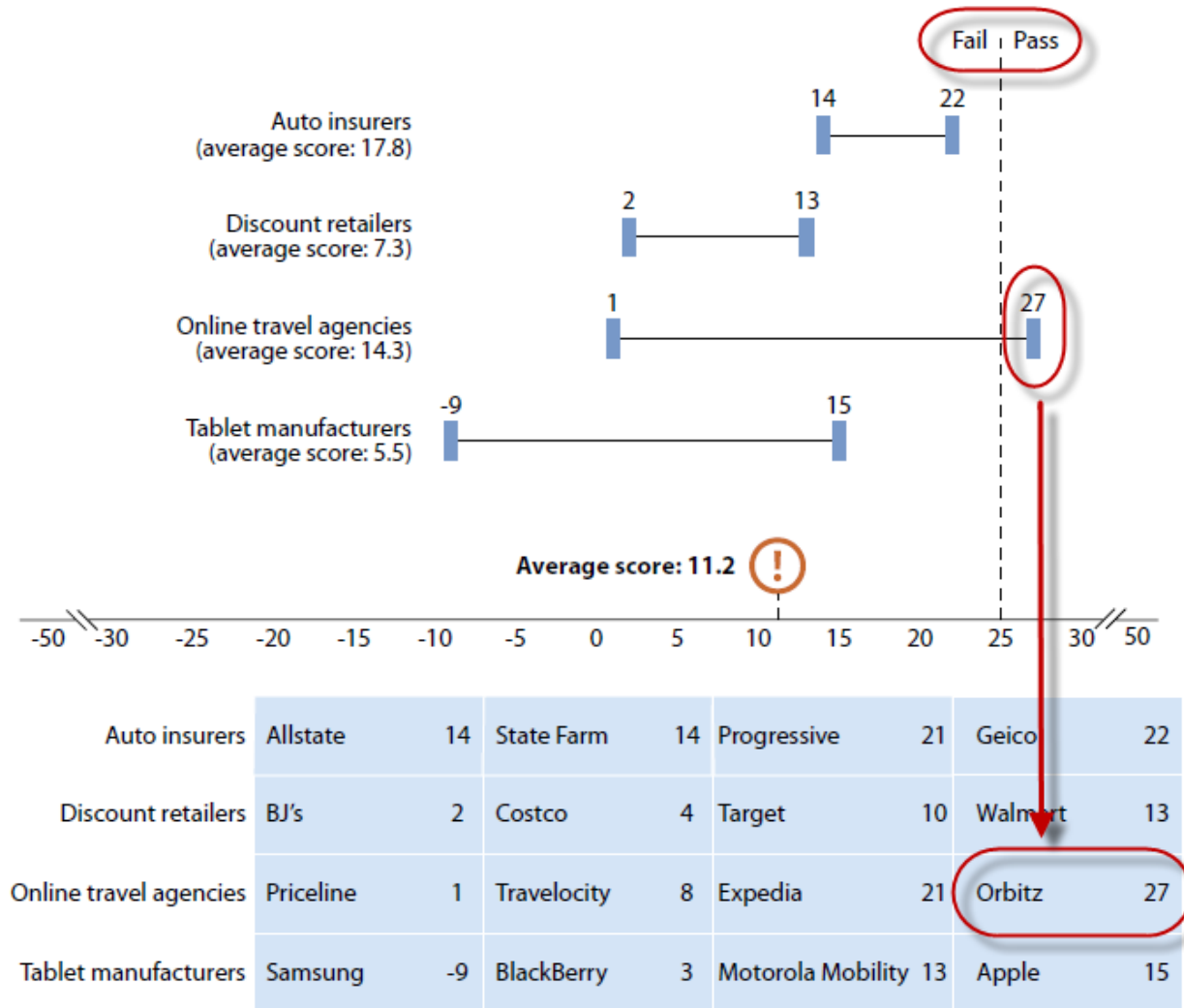
■ Yes

■ No

■ Not sure

CUSTOMER SERVICE NEED IDENTIFIED

2011 Forrester's Best & Worst of Website User Experience



NEXT STEPS ...

- SOC is READY for ONE On-line Booking Tool
 - Orbitz For Business
 - Travelocity
 - Expedia
- STMP/SPO Attempted Sole Source Agreement
- Next steps to be determined ...
 - Await Outcome of O4B Litigation
 - Attempt Another Sole Source
 - Separate Solicitation ↔↔ Joint w/Travel Agency



STMP STRATEGIC PARTNERS

“I have found out that there ain’t no surer way to find out whether you like people or hate them than to travel with them.”

Mark Twain



Strategic Partners

- University of Colorado
- City/County of Denver
- Jefferson County
- Boulder County Sheriff
- In *Progress*:
 - UNC
 - CSM
 - CSU

Enhance Performance with a PARTNERSHIP!

